

Draft

IMAC-QA SUBCOMMITTEE January 26, 2004 MEETING MINUTES

Attendees Present: John Haine (co-chair), DHFS; Chris Elms, Dane Co.; Lisa Hanson, DHFS; Pam Lohaus, DHFS; Marilyn Rudd, DHFS; Marcia Williamson, DHFS; Kathy Judd, Dane Co.; Vickie Jessup, DHFS; Rick Zynda, DHFS; Bernadette Connolly, DHFS
Attendees by Conference Phone: Joanne Ator, Door Co.; Jackie Bennett, Racine Co. (co-chair); Jacaie Coutant, Milwaukee Co.; Lorie Mueller, LaCrosse Co.

Minutes from November approved as written.

Jackie Bennett, the assigned minute taker for this meeting, asked Rick Zynda, the March minute taker, to trade months, since Jackie was participating by conference phone. Rick graciously agreed to take the January minutes.

Jackie also agreed to update the committee membership list.

The agenda for this meeting consisted of one topic:

APE discussion (again) Refer to the Deloitte Consulting recommendation as part of the Milwaukee County business process review

Initial discussion:

- What is expected of this committee? Why is the committee being asked to address the APE issue again, since recommendations by the committee were submitted to IMAC several months ago?
 - John explained that the recommendations were sent by IMAC to WCHSA, who “tabled” the issue. Since then, new issues have arisen – i.e. change centers, consortia of local agencies (raising the APE issue of who is responsible), a Deloitte study in Milwaukee County, etc.
 - At the October IMAC meeting, Susan Wood charged the QA subcommittee to look at client errors and APE’s – develop a list of “pros and cons”.
 - In addition, this committee is being asked to revisit the issue by examining recommendations made by Deloitte in their recent review of IM administration and how to reduce the error rate in Milwaukee County – to look at the value of the Deloitte recommendations.
 - DHFS Secretary Nelson said there will be no Wisconsin sanction for FFY 2004! Since we are already four months into the FFY, we must work aggressively to prevent a sanction this year. If we are sanctioned by FNS for 2004, the estimated penalty will be about \$600,000. An additional “at-risk” penalty of \$870,000 carried over from 2002 will be assessed if we are not below the national average by the end of 2004. That amount would not be passed on to local agencies.
 - Recommendations for changes to the 2005 IM Contracts must be submitted to the Division of Health Care Financing by May or June.

- Deloitte recommends looking at other states similar to Wisconsin to determine how they deal with federal error.
 - Comment in discussion that in doing so, we should look at in other states (state or local administration, funding structure/cost per case, caseloads, policies, waivers, error penalty pass throughs) to assure a “level playing field” in the analysis. Wisconsin has always shown low IM administrative costs compared to other states.
 - Deloitte looked at California (large decrease in 2003 error rate) in making **short-term** recommendations for Milwaukee, in order to impact the 2004 error rate as quickly as possible.
 - They are going to survey some other states – we can ask them to gather information we need.
- California shifts as many errors as possible to “agency error” – all responsibility shifted to the local agencies. They also appear to not review cases in the same detail/degree as we do.
- The definition of what constitutes an “error” appears to differ between states – inconsistencies either between states or FNS Regions.
- Our QC Reform Workgroup is looking at how we review cases – a conference call with California staff is scheduled for this afternoon (1/26). At issue will be whether our FNS Region would allow us to use the California process that is acceptable in their Region.
- We have had very few difference letters from FNS – thus the findings of our State QC staff and FNS are most often the same.
- John Haine is talking with our FNS Regional staff this week about the federal review process, potential difference between states based on the practices of the FNS reviewers – i.e. if there is a level playing field in the Region.
- **APE & Client Error Issues:**
 - APE – we need to “think outside of the box”
 - What types of penalties should, or shouldn’t, be considered for pass through to local agencies (APE, Agency Error, Client Error)?
 - Our APE penalty only affects the largest counties.
 - In the ratio of Client Error (CE) to APE – QC data indicates CE rate is going down
 - Local agencies need to categorize errors correctly – CE vs Agency
 - Need to consider the implications of shifting more cases to Agency Error – i.e. impact on benefit recovery`
 - CE has a significant impact on the overall error rate, but is harder to control
 - Some local agency staff may not focus on CE since the agency isn’t penalized for them, as opposed to APE’s
 - There can be a balanced focus on all errors – client and agency
 - A statewide emphasis on CE can be effective – but we haven’t focused on CE or fraud as much as some other states (e.g. Ohio) to make clients aware of their responsibilities, and the consequences
 - CE initiatives have been tried, but not continued – i.e. folders for reporting changes, power point for client education, etc.
 - We can do some things, like data exchanges, to reduce CE

- **Other Issues:**
 - Wisconsin's funding of local agencies is not adequate. DHFS and the Counties Association need to pursue this more aggressively for the next biennial budget.
 - Funding for local error reduction has been limited
 - Local efforts at reducing errors has not been visible – only those called “special initiatives” get recognition
 - Minnesota (Hennepin Co.?) assigns best workers to intake – to get cases set up right from the beginning.
 - Quality Assurance staff are looking at the impact of the new “reduced reporting” policy on the error rate (measuring what the error rate would have been in prior months had the policy been in place). By the end of January, we will know the impact, and are expecting that the new policy will show positive results.
 - Arbitration of local errors – we get few letters from local agencies requesting arbitration due to error findings by QC.
- The attached chart was developed at the meeting, to list the “pros & cons” of having an APE policy and penalty vs no APE.

PROS

CONS

<p style="text-align: center;">APE</p> <ul style="list-style-type: none"> • Increased local agency accountability • Helps to identify ways to prevent that type of error from recurring • Sharing financial burden • In past, agencies paid little attention to errors – APE keeps focus on preventing errors • Impacts counties who impact statewide rate the most (county boards pay attention) 	<p style="text-align: center;">APE</p> <ul style="list-style-type: none"> • Has not proven to be effective method for reducing errors • Does not increase local agency accountability • Only impacts a few counties • Interpretation of APE varies among agencies • Assumes full funding in all agencies (Milw. 50% of caseload, not 50% of funding) • Obscures true error strategies • Reduces funding for future error reduction (instead of investing, further incapacitates agencies) • When big counties are penalized, more likely to advocate for change in penalty process • Could impact benefit recovery
<p style="text-align: center;">NO APE</p> <ul style="list-style-type: none"> • Less punitive, more positive approach to error reduction (e.g. Targeted Case Review) • Increased innovation in approaches for doing business (e.g. consortiums) • Less time spent on categorizing errors, so more time available for analysis • More arbitration (focus more on correct, less on type of error) 	<p style="text-align: center;">NO APE</p> <ul style="list-style-type: none"> • More challenging to strategize around ways to reduce preventable errors • Not sharing financial responsibility • Consortiums still need to determine who is responsible for error • Less arbitration (fewer opportunities to change error cases to correct) • Could impact benefit recovery

- February minute taker: Marcia Williamson
- Next Meeting: Feb 23, 2004

Minutes taken by Rick Zynda